

**Committee Name:**

**Assembly Committee – Rural Affairs and Forestry  
(AC–RAF)**

**Appointments**

99hr\_AC–RAF\_Appt\_pt00

**Committee Hearings**

99hr\_AC–RAF\_CH\_pt00

**Committee Reports**

99hr\_AC–RAF\_CR\_pt00

**Clearinghouse Rules**

99hr\_AC–RAF\_CRule\_99–

**Executive Sessions**

99hr\_AC–RAF\_ES\_pt00

**Hearing Records**

99hr\_ab0000

99hr\_sb0000

**Misc.**

**99hr\_AC–RAF\_Misc\_Forest\_pt02**

**Record of Committee Proceedings**

99hr\_AC–RAF\_RCP\_pt00

02-25-99 PH/AB78  
Info Briefing

# Committee Meeting Attendance Sheet

## Assembly Committee on Rural Affairs and Forestry

Date: 2-25-99 Meeting Type: Public Hearing  
Location: 415 Northwest - State Capitol

<u>Committee Member</u>	<u>Present</u>	<u>Absent</u>	<u>Excused</u>
Rep. John Ainsworth, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Terry Musser	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Kitty Rhoades	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Stephen Freese	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Judith Klusman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Mary Hubler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Donald Hasenohrl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Gary Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>9</u>	<u>0</u>	<u>0</u>

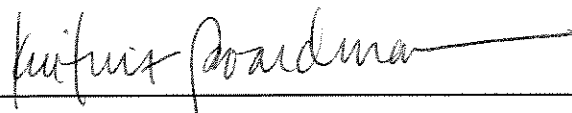
  
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Kristina Boardman, Committee Clerk

# Committee Meeting Attendance Sheet

## Assembly Committee on Rural Affairs and Forestry

Date: 2-25-99 Meeting Type: Executive Session  
Location: 415 Northwest

<u>Committee Member</u>	<u>Present</u>	<u>Absent</u>	<u>Excused</u>
Rep. John Ainsworth, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Terry Musser	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Rep. Stephen Freese	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Judith Klusman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Rep. Gary Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>9</u>	<u>0</u>	<u>0</u>



Kristina Boardman, Committee Clerk



# John Ainsworth

**State Representative • 6th Assembly District**

Chair: Assembly Committee on Rural Affairs

## MEMORANDUM

To: Assembly Committee on Rural Affairs and Forestry Members

From: Representative John Ainsworth

Date: February 23, 1999

Re: Orientation on Wisconsin Forestry Matters

In advance of Thursday's Committee Orientation on Wisconsin Forestry Matters, I thought I would supply a list of those individuals confirmed to speak.

1. Paul DeLong, Deputy Director of the DNR Forestry Bureau
2. Nadine Bailey, President of the Timber Producers of WI and MI
3. Byron Hawkins, President of Lake States Lumber
4. Earl Gustafson, Lobbyist for the WI Paper Council

Please be advised that Rachel Jordan, of the WI Woodland Owner's Assoc., was invited – yet will not be able to attend.

If you have any questions regarding the upcoming committee meeting, please do not hesitate to contact me.



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State of Wisconsin  
Department of Natural Resources

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**Paul DeLong**  
Deputy Director, Bureau of Forestry  
Deputy State Forester

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Department of Natural Resources

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Assembly Committee on Rural Affairs & Forestry

Department of Natural Resources Testimony  
Paul J. DeLong, Deputy Director  
Bureau of Forestry  
February 25, 1999

Mr. Chairman and Committee Members:

Good afternoon. My name is Paul DeLong and I am the Deputy Director of the Department of Natural Resources' Bureau of Forestry. I appreciate the opportunity to appear before you to discuss forestry in Wisconsin.

Gene Francisco, Director of the Bureau of Forestry, is unable to be here today. However, he does look forward to working with you to address forestry issues in Wisconsin. I am providing you with copies of talking points he provided to the Governor's Council on Forestry, shortly after his appointment to the Director's position last summer. I will highlight a few of the items in Gene's talking points in my remarks today.

Given the fact that forestry has only this year been added to this Committee's portfolio, I particularly appreciate the opportunity to provide some background about forestry issues in Wisconsin. I'd like to briefly describe the condition of Wisconsin's forests, identify some key issues affecting forestry in this state, and finally focus in more detail on one issue that the Department would like to work with you and the affected interests to address in the near future.

Wisconsin's Forest Resource

Wisconsin has 16 million acres of forestland, nearly half of the state's land cover. The forests of Wisconsin have recovered in dramatic fashion from the cutover, abandoned forest land of the early 1900s, to grow into the highly valued forests we have today. Wisconsin's forests are larger, more extensive, more diverse and more productive today than at any time in this century.

Net annual growth (total growth minus mortality) continues to exceed annual removals. In 1996, approximately 70 percent of Wisconsin's annual forest growth was harvested. Put another way, for each of the five million residents of Wisconsin, there are more than 1,700 trees larger than 10-feet tall. In a typical year, seven of these trees are harvested and 137 die of natural causes. However, 167 new trees grow to be over 10-feet tall. The bottom line is that our forests continue to grow faster than they are harvested. There are, however, a few areas of concern, one of which I will highlight a little later.

One of the most striking trends illustrated by the most recent statewide forest inventory is the continued decrease in aspen as more shade tolerant forest types, particularly northern hardwoods, increase significantly. This trend has positive and negative impacts, depending on the values one espouses. For example, those watching this trend with concern include hunters, who value aspen for its wildlife habitat values, and the pulp and paper industry, which values this species for its fiber. On the other hand, those who advocate less clearcutting or who wish to see future forest compositions more closely resembling pre-European settlement forest conditions, are pleased by this trend.

## The Value of Our Forests

Wisconsin's forests have myriad values ranging from economic to ecological to social and cultural. The forest industry is a very important economic base in Wisconsin. Forest industries are the largest manufacturing employment sector in 28 Wisconsin counties, second in 9 counties and third in 5 counties. In addition to the almost 100,000 people directly employed in forest industry, another 200,000 jobs are dependent on this industry. The forest industry payroll is about \$3.5 billion dollars annually and the value of shipments is nearly \$20 billion a year.

Although the forest resource is concentrated in the northern and west central portions of the state, forestry is an important economic base statewide – as demonstrated by the concentration of pulp and paper mills in the Fox Valley and the printing industry in Southeast Wisconsin.

The forest and water resources of Wisconsin are also a primary attraction for tourism, both for residents and out-of-state visitors. Research has shown that the greatest economic stability and employment opportunities are in communities where both tourism and forest products companies are well developed. A recently-completed study by DNR and UW-Madison shows that, in general, timber production and recreational use of forests are relatively compatible.

We continue to grow in appreciation of the many ecological values of our forests. The forests continue to diversify as more time passes since the end of the cutover era and the widespread fires that followed. The variety of forest ecosystems in Wisconsin support a great diversity of plant and animal communities and species. Forests also purify the air, reduce soil erosion and filter our water.

Furthermore, our forests provide a range of social benefits including scenic beauty, settings within which we recreate, and desirable settings within which to live and work.

## The State's Forestry Program

The Department of Natural Resources has primary responsibility for statewide forestry programs. The Department's forestry program includes about 390 full-time employees located throughout the state, who provide forest fire protection, private forest management assistance, public forest management and urban forestry assistance. We collaborate with a number of federal, state and local government agencies, as well as a host of private entities, to address the full range of forestry issues.

The primary revenue source for the statewide forestry program is the Forestry Mill Tax. This segregated fund was authorized in 1924 by a Constitutional amendment. Establishment of this tax was a visionary and innovative technique by the Legislature to re-establish and protect the forest resource in Wisconsin, which at the time had largely been cutover and burned. The Mill Tax has fostered the development of programs that have facilitated the development and maintenance of a major economic sector, and has fostered the protection and management of the forests' ecological and social values.

I would now like to address a few of the many key forestry issues in Wisconsin. I will then focus in some additional detail on one of these issues.



### Sustainable Forestry Legislation

In 1996, the Legislature approved a revision to the state statute that directs management of the designated state forests. This new language -- developed through consensus agreement among environmental groups, the forest industry, the counties and DNR -- puts the focus of state forest management on sustainable forestry.

We are again working with the full range of affected interests, this time to address a directive we received from the Legislature last summer. The Department was directed to draft proposed legislation to minimize the impact of state and local zoning and ordinances on the practice of sustainable forestry. We will be submitting to you a proposal this coming summer. We would welcome involvement by members of this Committee as we develop the draft legislation.

### Forest Fire Protection

Wisconsin experienced the driest autumn in 20 years in 1998. Continued dry conditions have the Department concerned about fire potential this spring -- particularly in the northeast part of the state where drought-like conditions are most severe. Weather conditions this spring ultimately will dictate the severity of the fire season. Whatever the conditions we ultimately face, the Department has a dedicated and well trained forestry staff that is prepared to meet this challenge.

Our capability to effectively suppress forest fires has been enhanced by the Department's expanded collaboration with local fire departments throughout the state. To better prepare local fire department firefighters to assist in suppressing forest fires, DNR provided a series of training sessions throughout the state. Our current budget also includes \$545,000 per year to implement a state Fire Department Grant Program. The grants provide 50% cost-sharing for local fire departments to purchase equipment needed to better fight forest fires. This not only assists the state but helps the fire departments better protect their local townships.

### Gypsy Moth

The state forestry program is concerned about both preventing and treating forest health problems on the 16 million acres of state, private, industrial and county forest lands in Wisconsin. Currently, the gypsy moth is the forest pest of most concern. Last year, 18 Wisconsin counties along the eastern edge of the state were placed under quarantine. For 1999, DNR and DATCP will be following treatment recommendations from the USDA "Slow the Spread" program. The goal of this multi-state program is to reduce the expansion rate of the gypsy moth by attacking isolated colonies of the pest in the area between the front of general infestation and the uninfested area. "Slow the Spread" will not eradicate the gypsy moth and we can expect the state to become generally infested over time. We are currently initiating an effort to design a suppression program that will enable us to effectively and efficiently reduce established populations to a level where the stress on both forests and people is tolerable.

### Forestry Awareness and Education

Wisconsin's forestry program is committed to establishing good and effective two-way communication with Wisconsin residents. Public input helps us identify present and future needs from the forest and shape our programs to meet the needs of people. Our awareness and education efforts also help connect residents to their natural resources. By developing

a sense of place and learning to appreciate the resource, they become more informed decision-makers in resource conservation issues.

We believe this is an area in which a great deal more effort is needed. We are working to partner with other forest interests to expand education and awareness efforts. You'll hear more about some of these efforts by other speakers today.

### Private Forestry

I'd like to focus the remainder of my comments on private forest management, which is an area that we believe is in need of more attention. I'd like to begin with some background about the changing dynamics of private ownership:

- About 57% of Wisconsin's forestland (9 million acres) is owned by individuals and families, and an additional 4% (.7 million acres) is owned by companies not involved in the forest products industry. Together these are identified as non-industrial private forest (NIPF) lands.
- These 9 million acres are owned by approximately 260,000 different individuals or families.
- We estimate that less than 18% of the people harvesting timber on NIPF owners' land use the services of a professional forester.
- We further estimate that less than 20% of NIPF landowners have written forest management plans.
- The tenure of landowners is declining as land exchanges hands more often, thereby increasing the number of new forest landowners.
- Whereas the majority of NIPF landowners in the 1950s and 60s were farmers, a dramatic shift has occurred in the last three decades so that now two-thirds of the NIPF lands are owned by non-farm individuals and families.
- These new owners tend to have more multiple objectives for their forestland. As a result, preparing management plans for these landowners is now more complex and time-consuming.

As I alluded to at the outset, the forest resource is also changing on NIPF lands:

- The amount of forestland in Wisconsin has been increasing over the last several decades as marginal farmland has been put back into forest.
- Hardwood succession is very evident on NIPF lands. Aspen-birch forest type acreage declined from 1983-96, whereas maple-basswood and elm-ash-soft maple types increased. These latter types are more complex systems requiring more labor intensive management.
- Over 64% of the timber harvested in Wisconsin during the period 1983-96 came off NIPF lands, making them very significant to the state's economy. The growing stock volume on NIPF lands increased from just under 10 billion cubic feet to in excess of 11 billion cubic feet during this same period.

- NIPF lands provide critical wildlife habitat, including for a wide array of endangered and threatened species, as well as recreation and other non-commodity values.
- The acreage of oak-hickory forest type declined on NIPF lands between 1983-96. Furthermore, average annual removals of red oak on NIPF lands exceeded the average net annual growth; 121% of net growth was harvested in that period.

Because nearly sixty percent of the forest in Wisconsin is in the hands of private individuals, a very important part of the DNR forestry program is providing technical and financial assistance to these private, non-industrial landowners. The Department's goal is to motivate landowners to practice sustainable forestry and guide them to service providers who can help them accomplish forestry projects.

The most important role for DNR foresters is delivery of objective, personalized advice to landowners. When DNR foresters put energy into making initial landowner contacts and providing general guidance at the outset, landowners are more likely to follow-up with requests for assistance from private consulting foresters and other private enterprises.

The DNR has 231 field foresters and forestry technicians who provide about 92 full-time equivalent field positions to helping private landowners. Much of the balance of their time is spent on fire control and public land management.

The private sector – through consulting and industrial foresters – provides a valuable complement to DNR's private forestry program. Private consulting foresters are particularly interested in timber sales, a service DNR foresters have been less able to provide as workload has increased and the number of DNR foresters has declined.

Over a decade ago, the DNR established a Cooperating Forester Program whereby private consultants refer landowners to private foresters who agree to follow Department approved management guidelines on private lands referred to them by the DNR. They also are required to attend continuing education offered by the DNR and complete annual reports on the work they conduct.

An important Wisconsin-specific tool to encourage good forestry is our forest tax law programs. Over 2.5 million acres are enrolled in these programs that grant landowners a lower property tax in exchange for implementation of a long-term forest management plan for their property. The Managed Forest Law continues to grow in popularity. While this is good news for the resource, it has put a tremendous strain on our capabilities to meet the statutory obligations of this program and still reach out to the many landowners who are not currently caring for their natural resources.

Financial assistance is available to landowners for practicing good forest stewardship through a variety of federal cost-sharing programs, as well as a new state program that is helping fill the needs as the federal dollars diminish. The Wisconsin Forest Landowner Grant Program, initiated just last year, has already provided financial assistance to nearly 500 landowners in over 50 Wisconsin counties. Through the program, the state shares the landowner's costs to do a number of forest stewardship activities.

#### Service Gaps

We are in the process of completing a study of our private forestry program. As part of that effort, we assessed the level of DNR's involvement in private forestry. We estimate that a sizable number of positions have been lost or diverted to other functions in the last

10 years. Most of this reduction has been felt in private forestry due to the need to cover losses in other program areas, particularly fire control and public land forestry.

The net result of the staff reductions, private land ownership trends and the changing forest resource is that there are fewer DNR foresters with less time available to help a growing number of private landowners with complex needs. The relative level of service has declined as more landowners are required to wait longer for a DNR forester to respond to their requests.

Discussions have been initiated to identify options for addressing the need to reach more private landowners. We are advocating the development and evaluation of a full range of options by all those impacted. Some ideas that have already emerged include:

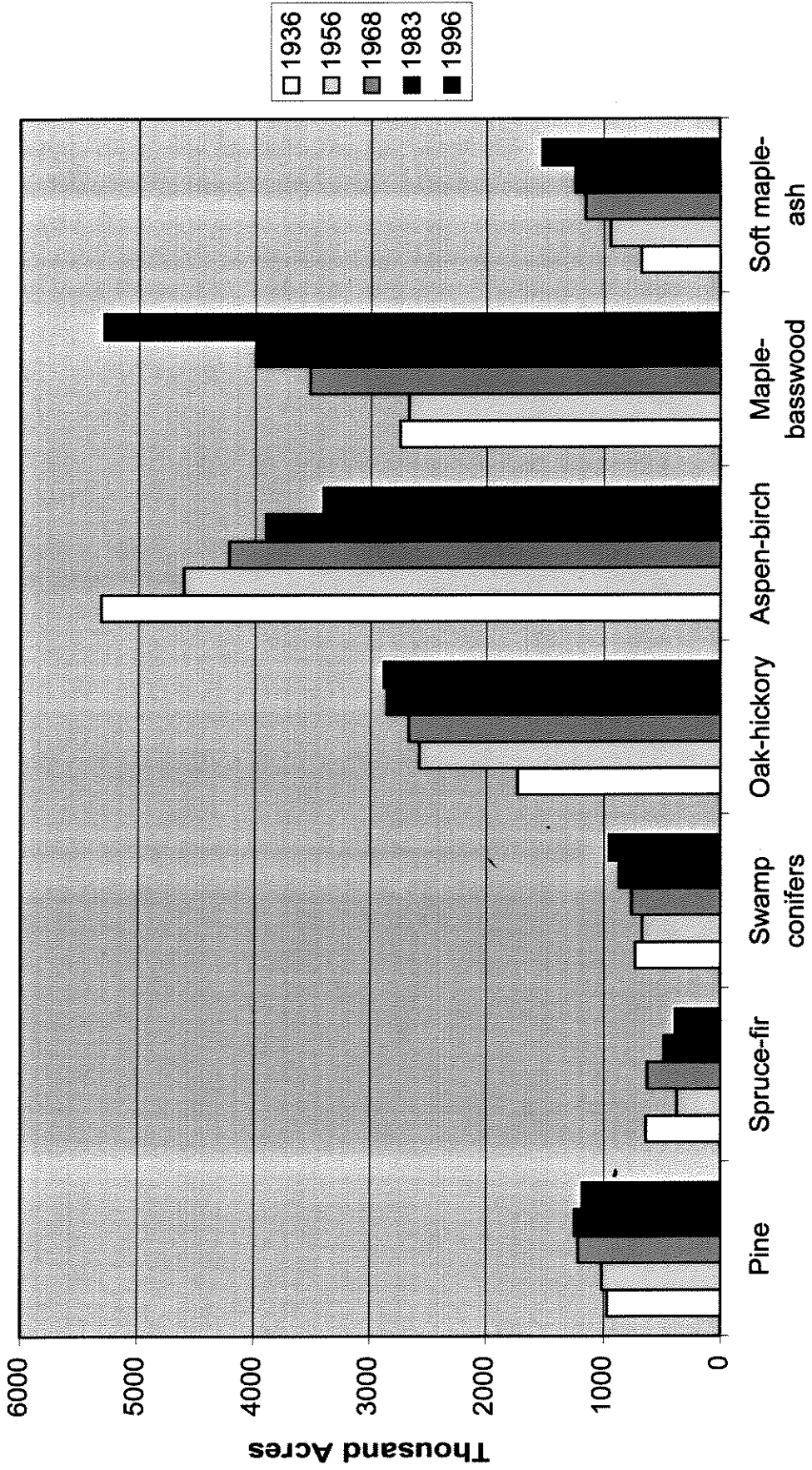
- Hiring more foresters to work on behalf of the Department to reach new private landowners (via contract, project positions or full time positions);
- Re-prioritizing work of current DNR foresters;
- Streamlining DNR procedures for supplying assistance;
- Strengthening the role of the cooperating consulting foresters;
- Improving the quality of cooperating foresters to build public confidence in their services;
- Increasing incentives to landowners (e.g., additional grant programs, master woodlot owner programs);
- Exploring the viability of private forest cooperatives as a mechanism for reaching more private forest landowners; and
- Increasing efforts in public education and awareness, including focusing DNR foresters' educational activities in areas where they can be most effective, while working with partners to extend education and awareness in other areas.

We plan to move ahead to evaluate these and other alternatives that emerge. We intend to engage the range of affected interests in these discussions, and we would welcome the involvement of this Committee.

Wisconsin's forests are in very good condition. However, it is only through a concerted effort that we can assure that the forests that we leave for our grandchildren and their grandchildren will continue to provide the breadth of ecological, economic, social and cultural values that we now enjoy.

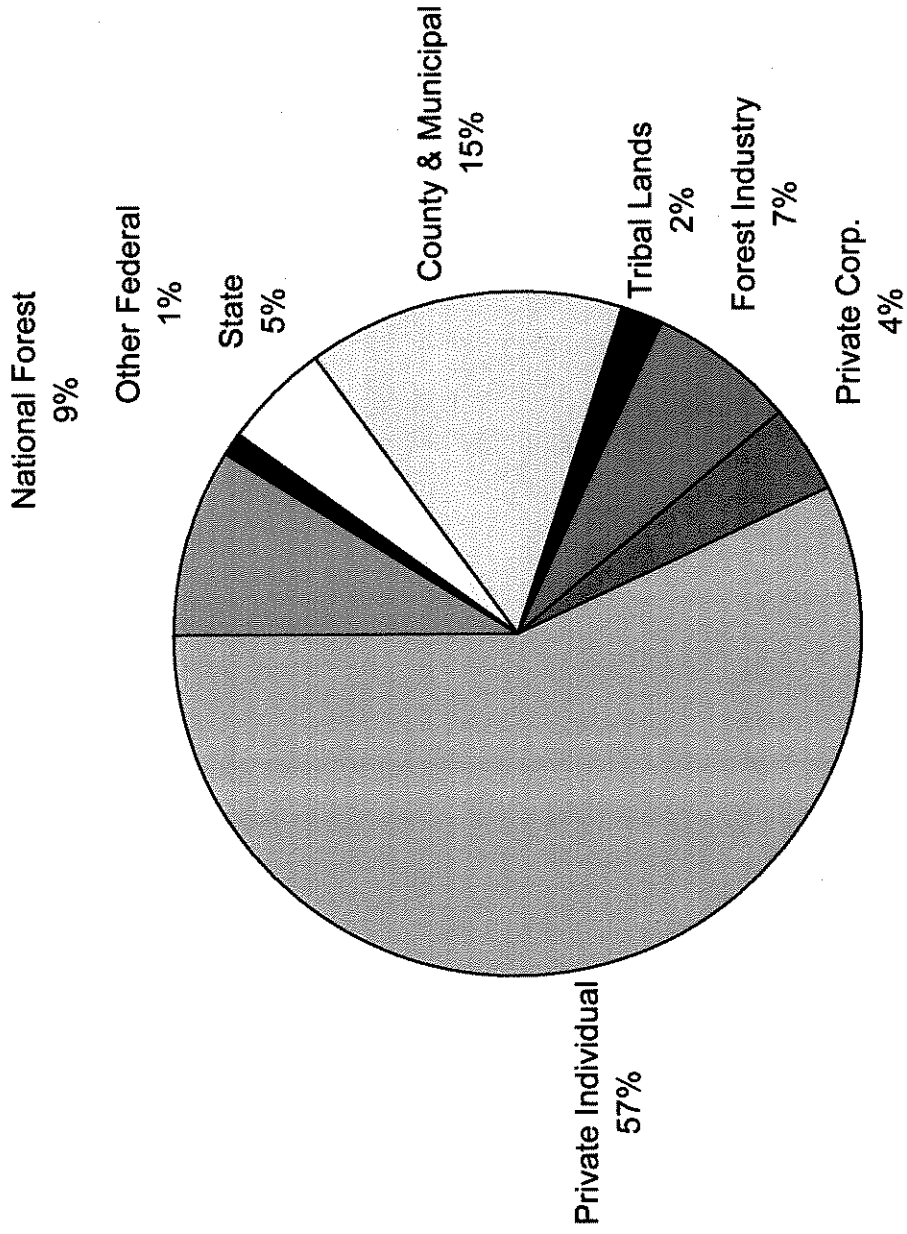
I have appreciated the opportunity to discuss these issues with you this afternoon and I will be glad to address questions from the Committee if your schedule permits.

Area of Forest Land by Forest Type Group, 1936-1996

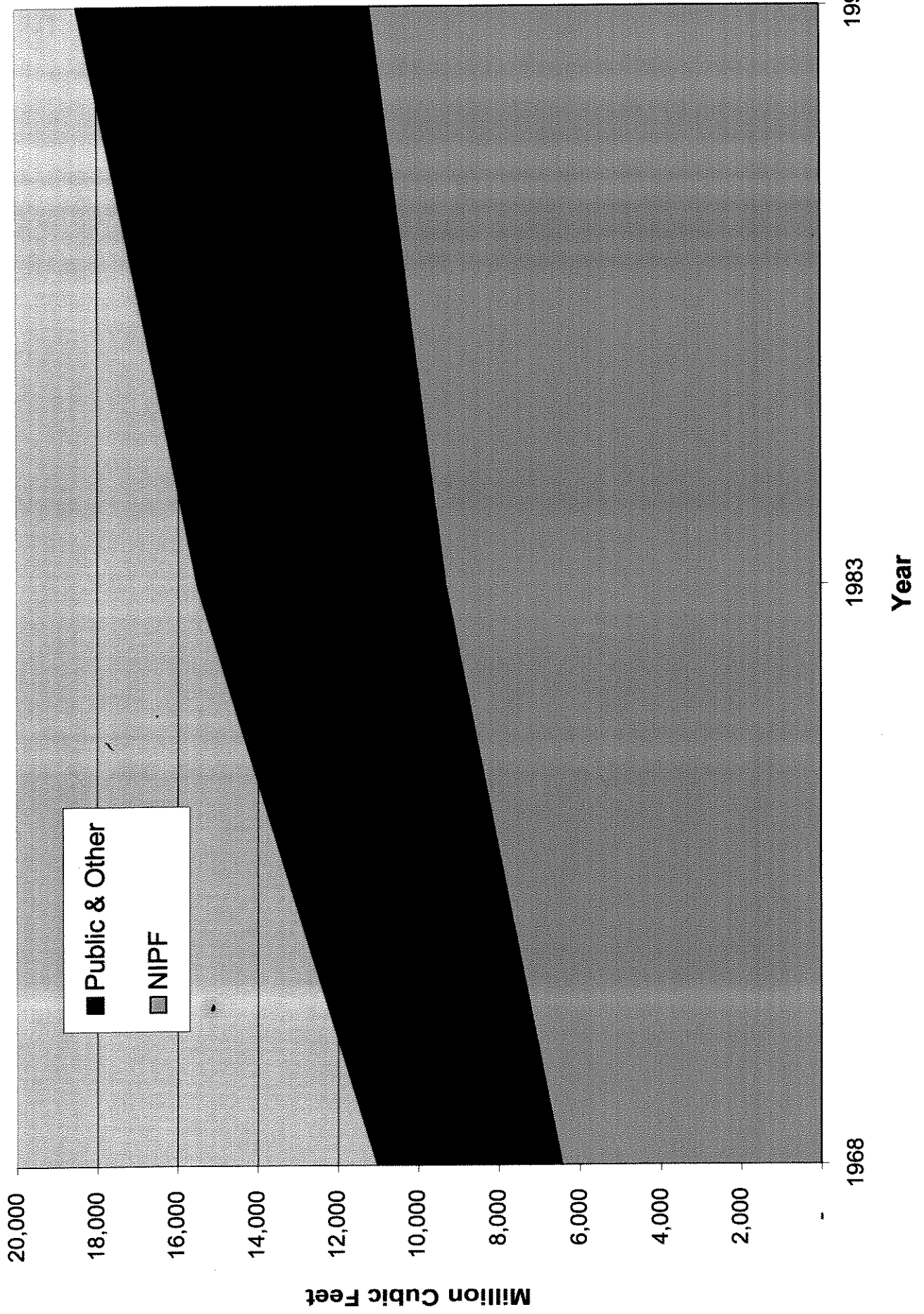


Forest Type

# Ownership of Wisconsin's Forests, 1996



# Timber Volume on Private Forest Land and Public & Other Lands, 1996



Remarks to the Governor's Council on Forestry  
by Gene Francisco  
August 4, 1998  
Black River Falls

I would like to thank all of you for your advice and support for the state forestry program. For your support to past State Forester Charlie Higgs and for your support to me as deputy and as state forester.

I am sure all of you have seen the news release outlining my experience, so I will not bore you with that. I would however, like to draw your attention to the fact that I spent 17 years of my 29 year career as a field (dirt) forester. This was a long enough period to allow me to revisit forest improvement practices that I personally established and learn what forestry really means. Some of the things I learned and strongly believe in are:

1. There is no substitute or alternative for good forest management and protection for maintaining a healthy forest.
2. Forest Management is compatible with and essential to providing the full spectrum of attributes from our forests like water quality, wildlife habitat and protection of habitat for threatened and endangered species as well as forest products.
3. Sound forestry can be obtained without strict forest practice legislation. We have a good track record in Wisconsin to prove that.
4. We (all of us in the forestry community) can insure sustainable forests into the future if we work together to manage our forestland consistent with good science and involve the general public in our management decisions.
5. The general public has become disconnected from the forest and do not understand that our forests are the source of the raw materials that are used to produce the paper and wood products they demand daily.

Having said that, I would like to outline some initiatives I intend to advance in the next few years. You will not hear anything significantly different from what you have heard from Charlie in the past. The section chiefs here today and I worked closely with Charlie to develop the strategies we are currently implementing. We feel we are on the right track and will continue to advance those initiatives.

The initiatives I will outline are both internal and external initiatives involving the forestry community and our public.

1. Reconnect the lines of communications between our central office staff and field supervisors. The department reorganization created an entirely new supervisory structure in the field. Most of the new supervisors do not have a forestry background and we need to work closely with them to help them understand the importance of our forests to the ecological and economic stability of our environment and economy.
2. Become more involved in and aware of rules and policies other department programs are developing to insure the forestry perspectives are considered. The lake zoning initiative is a good example of a policy we should have been involved in.
3. Create an awareness of the value of healthy managed forests to our colleagues in the department both in administration and other divisions.
4. Continue to integrate, as standard operating procedure, non-traditional forestry activities into forest ecosystem management policy, i.e., Endangered Resource



identification, riparian management, etc.

5. Advocate for the appropriate use of forestry mill tax money consistent with the Wisconsin constitution.
6. Oppose reallocation of forestry resources (personnel time, money, buildings and equipment) when it has an adverse impact on our ability to maintain a sustainable forest resource.
7. Continue to deliver a balanced state forestry program.
  - a. State Forests - Keep our state forests healthy and sustainable through state-of-the-art forest management and protection. State forest management should set the standard for sustainable forestry that other forest landowners can view and emulate.
  - b. Continue to provide the current level of commitment to the state/county forest partnership. Work closely with the County Forest Association to resolve and adapt to evolving forestry issues and new technology.
  - c. Maintain and improve our ability to protect the states forest resources from fire, insects and disease. Continue to support and implement initiatives outlined in the 1994 Forest Fire Study.
  - d. Work with the Wisconsin Nursery Association to insure forest landowners have an adequate supply of good quality nursery stock at a reasonable price.
  - e. Increase the available professional forestry assistance to the 250,000 private non-industrial landowners through reprioritization of current DNR staff work, increase DNR staff and create a business environment that encourages the use of consultant and industrial foresters. Only 18% of all timber harvested in Wisconsin is harvested with the assistance of a professional forester. This is unacceptable from a sustainable forestry perspective. Forest service figures indicate that in order to provide adequate forest management there should be one forester per 30,000 acres of forestland. In Wisconsin we have about 130 state and private foresters working full-time on 9 million acres on non-industrial private forest (NIPF) lands. If all NIPF forests were managed adequately, Wisconsin would need an additional 170 forestry staff working in both the public and private sectors.
  - f. Recruit and retain a highly technical dedicated forestry staff. Wisconsin DNR has had a good track record attracting well qualified technical forestry staff. That trend is changing and we need to develop a strategy to get back on track.
  - g. Work with communities to develop and manage their community forests in a healthy sustainable fashion.
7. Develop and implement a strategy to educate and inform the general public on the need for well managed sustainable forests. Each person in Wisconsin consumes 740 pounds of paper and 18 cubic feet of solid wood products annually. Our publics need to understand that Wisconsin must have well managed forests to meet their needs now and in the future.

This is an aggressive agenda but a necessary one if our goal is sustainable forestry. With your support and guidance we can make it happen.



## Legislative Fiscal Bureau

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January 26, 1998

TO: Representative Thomas Ourada  
Room 129 West, State Capitol

FROM: Russ Kava, Fiscal Analyst

SUBJECT: Forestry Account Condition

In response to your request, this memorandum provides information on the condition of the forestry account (including actual 1996-97 revenue and expenditure figures) and projected future revenues and expenditures from the forestry account.

The primary source of revenue deposited to the forestry account is the state tax on property of 0.2 mill (20¢ per \$1,000 of property value). The tax is frequently referred to as the forestry mill tax and is the only property tax levied by the state. Tax revenues may be used to acquire, preserve and develop the forests of the state and for other forestry purposes. The tax is collected with other property taxes on a calendar-year basis and is calculated by using each county's total equalized property value, as determined by the Department of Revenue, for the previous year.

Other sources of revenue to the forestry account include: (a) revenues from the sale of timber on state forest lands; (b) revenues from the sale of stock from the state's tree nurseries; (c) camping and entrance fees at state forests; (d) severance and withdrawal payments from timber harvests on cooperatively-managed county forests and on privately-owned land entered under the forest crop law and managed forest law programs; and (e) investment income derived from interest on forestry account balances.

Forestry account revenues are used to fund several forestry programs and related administrative activities in DNR. These include: (a) operation of state forest and nursery properties; (b) forest management assistance for private landowners and county foresters; (c) aid payments under forest tax law programs; (d) county forest acreage payments and loans; and (e) forest fire control activities. Forestry account revenues are also used to fund the gypsy moth program in the Department of Agriculture, Trade, and Consumer Protection and some administrative and worker salary costs of the Wisconsin Conservation Corps.

1997 Act 27 (the 1997-99 biennial budget) appropriates forestry account revenues for other programs outside of DNR. These appropriations are for: (a) environmental education grants in the University of Wisconsin System; (b) a forestry education grant program in the Department of Commerce; (c) operational funding for the Kickapoo Reserve Management Board; (d) operational funding for the Lower Wisconsin State Riverway Board; and (e) a position for the Historical Society at the Northern Great Lakes Visitor Center in Bayfield County.

Under 1997 Act 27, \$65.9 million in expenditures in 1998-99 are authorized from the forestry account. Total revenue available in 1998-99 is estimated to be \$67.6 million (including an opening balance of \$8.4 million). Table 1 shows the actual revenues and expenditures for the forestry account for the 1995-97 biennium and Act 27 budgeted amounts for the 1997-99 biennium.

**TABLE 1**

**Forestry Account Revenues and Expenditures**

	1995-96 <u>Actual</u>	1996-97 <u>Actual</u>	1997-98 <u>Budgeted</u>	1998-99 <u>Budgeted</u>
<b>Forestry Account Revenues</b>				
Mill Tax	\$40,316,000	\$43,376,800	\$46,614,800	\$50,095,700
Other Revenue	10,893,700	8,426,700	9,197,600	9,187,600
<b>Total</b>	<b>\$51,209,700</b>	<b>\$51,803,500</b>	<b>\$55,812,400</b>	<b>\$59,283,300</b>
<b>Forestry Account Expenditures</b>				
<i>Forestry Expenditures</i>				
Forestry General Program Operations	\$25,324,100	\$23,356,400	\$25,801,500	\$25,711,300
Stewardship Debt Service	0	0	8,700,000	8,700,000
Southern Forest Operations	2,904,900	2,908,600	3,353,700	3,365,100
Forest Aids for County Forests, FCL and MFL	2,229,400	1,129,100	1,196,300	1,248,400
County Forest Aids for FCL and MFL Acres	1,250,000	1,250,000	1,250,000	1,250,000
Private Forest Grants	0	0	1,000,000	1,000,000
Urban Forestry and County Forest Administrator	644,900	522,800	832,900	832,900
County Forest Loans	545,900	605,700	622,400	622,400
Local Fire Suppression Grants	0	0	525,000	525,000
County Forest Project Loans	177,500	275,200	400,000	400,000
Fish, Wildlife and Forestry Recreation Aids	153,200	337,000	230,000	230,000
Lake States Wood Utilization Consortium	0	0	100,000	0
Reforestation	110,100	0	100,000	100,000
<b>Subtotal</b>	<b>\$33,340,000</b>	<b>\$30,384,800</b>	<b>\$44,111,800</b>	<b>\$43,985,100</b>
<i>Departmentwide Expenditures</i>				
Departmental Activities	\$9,220,100	\$11,937,300	\$13,571,000	\$13,604,400
Property Development, Repair and Debt Service	543,100	632,900	1,134,500	1,293,400
Aids in Lieu of Taxes	502,300	462,300	555,500	555,500
Taxes and Assessments	66,200	48,500	69,000	69,000
Budget Reserves	0	0	969,500	1,786,400
<b>Subtotal</b>	<b>\$10,331,700</b>	<b>\$13,081,000</b>	<b>\$16,299,500</b>	<b>\$17,308,700</b>

	1995-96 <u>Actual</u>	1996-97 <u>Actual</u>	1997-98 <u>Budgeted</u>	1998-99 <u>Budgeted</u>
<i>Appropriations in Other Agencies</i>				
Wisconsin Conservation Corps	\$721,200	\$650,500	\$3,001,900	\$3,018,300
Agriculture, Trade and Consumer Protection	939,200	896,700	1,024,800	1,026,100
Kickapoo Reserve Management Board	0	0	200,800	180,800
University of Wisconsin System	0	0	200,000	200,000
Commerce	0	0	100,000	100,000
Historical Society	0	0	16,000	32,000
Lower Wisconsin State Riverway Board	0	0	30,700	31,200
Subtotal	\$1,660,400	\$1,547,200	\$4,574,200	\$4,588,400
Total	\$45,332,100	\$45,013,000	\$64,985,500	\$65,882,200

Table 2 shows a condition statement for the forestry account based on projected revenues and expenditures included in 1997 Act 27, indicating a June 30, 1999, balance of approximately \$1.8 million. (A balance of approximately \$1 million is traditionally maintained in the forestry account in order to accommodate forest fire emergencies that may develop.)

**TABLE 2**

**Forestry Account Condition Statement**

	1995-96 <u>Actual</u>	1996-97 <u>Actual</u>	1997-98 <u>Estimate</u>	1998-99 <u>Estimate</u>
Opening Balance	\$8,733,000	\$14,610,600	\$21,401,100	\$8,352,700
Revenue	<u>51,209,700</u>	<u>51,803,500</u>	<u>55,812,400</u>	<u>59,283,300</u>
Available	59,942,700	66,414,100	77,213,500	67,636,000
Expenditures	45,332,100	45,013,000	68,860,800*	65,882,000
Closing Balance	\$14,610,600	\$21,401,100	\$8,352,700	\$1,754,000

\* Includes \$3,875,300 in encumbrances and continuing balances.

From the total level of authorized expenditures for 1998-99, approximately \$10.6 million is one-time funding, including: (a) \$8,700,000 for the payment of principal and interest related to the acquisition and development of state forests under the stewardship program; (b) \$672,300 for the construction of ranger stations in Marinette and Oneida Counties; (c) \$610,000 for a pilot grant program to assist local fire departments in forest fire suppression; (d) \$368,400 for the conversion of land from the forest crop law to the managed forest law program; (e) \$222,200 related to forestry resource management and planning initiatives; and (f) \$30,000 for educational materials related to gypsy moth management.

While these expenditures are included in the budget as one-time expenditures, they could create a demand for continued funding in future biennia. For example, DNR has indicated that it will evaluate the fire suppression grant program for possible reauthorization in 1999-2001, and that five additional ranger stations have been identified for replacement. In addition, further stewardship-related debt service could be financed from the forestry account.

Since the mill tax is the main source of revenue to the forestry account, the condition of the account is most affected by property values. Property values have increased at an average rate of over 7.5% annually for the past five years. However, between calendar years 1985 and 1986, statewide property values declined, and property values increased an average of only 4% per year between calendar years 1986 and 1990. Future rates are difficult to predict. However if, for example, property values increase at 5% per year after 1998 and both non-mill tax revenue and ongoing forestry expenditures increase at 3% per year, the forestry account would have a balance of approximately \$13.2 million at the end of the 1999-2001 biennium. Each percentage point change in the rate of increase in property valuation would change the closing balance by approximately \$1.5 million.

I hope this information is helpful. Please contact me if you have any further questions or would like additional information.

RK/dls/sas

Forestry Account (including Stewardship)

	90-0001	91-0001	92-0001	93-0001
	Revenue	Revenue	Revenue	Revenue
(1) Statewide	100,000,000	107,500,000	116,375,000	126,293,750
(2) Local	20,000,000	21,000,000	22,050,000	23,152,500
(3) Federal	10,000,000	10,500,000	11,025,000	11,576,250
(4) Other	5,000,000	5,250,000	5,512,500	5,787,500
Total	135,000,000	144,250,000	155,062,500	166,810,000
(1) Statewide	100,000,000	107,500,000	116,375,000	126,293,750
(2) Local	20,000,000	21,000,000	22,050,000	23,152,500
(3) Federal	10,000,000	10,500,000	11,025,000	11,576,250
(4) Other	5,000,000	5,250,000	5,512,500	5,787,500
Total	135,000,000	144,250,000	155,062,500	166,810,000

**TIMBER PRODUCERS ASSOCIATION**  
**OF MICHIGAN & WISCONSIN**

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**PRESIDENT**

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February 25, 1999

TO: Chairman John Ainsworth and Members, Assembly Committee on Rural  
Affairs and Forestry

FR: Byron Hawkins, President  
Lake States Lumber Association

RE: Testimony -- Thursday, February 25, 1999

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As President of the Lakes States Lumber Association, which represents over 200 businesses utilizing timber resources in the Lake States Region and employing more than 20,000 workers, we are an Association involved in many different aspects of the timber and wood products industry. I welcome this opportunity to brief the committee on the importance of forestry to Wisconsin's economy. The Wisconsin forest product industry includes loggers, manufacturers of lumber, furniture and other wood products with more than 98,000 employees statewide. The forest products industry including paper manufacturing is the leading employer in 14 counties and second or third largest in the other 24 counties.

Wisconsin is very fortunate to have a substantial amount of healthy forests. Wisconsin's total land area consists of 34.7 million acres, nearly half of which -- 15.7 million acres -- is forested. Of this forest acreage, almost 60% is under private individual ownership. Counties and municipalities own the second highest amount of forest acres at 15%. Wisconsin's forests are healthy because of the positive partnership between our industry, private landowners and the DNR. As we begin this next biennial session, we have a number of issues that we hope to work with you on to achieve a sense of balance between industry and government. I'm going to touch on six of those issues now.

## **1. Sustainable Forestry Initiatives**

As you are probably aware, the Department of Natural Resources has been asked to submit language to the legislature for consideration that will better define the term "sustainable forestry." Our industry is very concerned as to what this definition will entail, to the degree that other interests might have a slightly different agenda. Please recognize that we view ourselves as environmentalists. We feel that a balanced approach, which not only takes care of forests today but insures that products will be here for generation's to come is key. We hope to work with this Committee on this very important issue.

## **2. A Positive Partnership Between State Foresters and the Industry**

Our industry has had a long-standing working relationship with the DNR Foresters. We hope that, even though dollars are tight, as the legislature examines where there is an opportunity to generate income, they will look at the long waiting list of private land owners who wish to grow timber on their land but don't know what kinds of trees to plant, when to cut and what's the best overall rotation for the land. State foresters have done a phenomenal job, but there aren't enough of them to go around. Keep in mind that when private land owners plant trees, they increase the value of the land over time as well as the potential tax base to the state. When a landowner waits a year to meet with a State Forester, which is often the case, the land isn't managed properly or the landowner loses interest. The state loses revenue when the opportunity to make land more valuable is lost. We would strongly support having more State Foresters available to private land owners.

## **3. Private Property Rights**

We know there will be a lot of discussion this session on land use, not private property rights. To the degree that we depend on land owners ability to do what they want on their land, we are concerned about any efforts on the part of local governments to curtail the use or value of someone's land. Many people plant trees and view this as a retirement nest egg. They invest with long term value in mind. They do not expect to have it yanked out from underneath them when it has suddenly become a green space or is deemed a park or the use has changed.



This has happened. We have worked very hard with a number of groups last session hoping to pass some modified property rights legislation which had a lot more to do with due process than anything else. Unfortunately, those bills failed in the House by a couple of votes.

If possible this session, Representative Mike Powers may again be forwarding some of these proposals. The one we want to specifically bring to your attention is the bill (1997 AB 807) that would require a unit of government to contact you if they were considering a zoning change affecting the use or value of your land. We even amended the bill to be similar to pesticide notification laws, meaning that the landowner is responsible for going to the unit of government and requesting that they be notified of any proposed laws or ordinances affecting their land. They could even charge them a fee for this very basic service, but we still failed to gain enough support. Hopefully, we can do better this session.

#### **4. Putting Additional Lands Under Forest Crop Management**

There are a number of proposals already underway to put additional land into the forest crop management program. Our Board has not had a chance to fully discuss these but we promise to get back to you. Initially, Representative Ainsworth had asked us what we thought about adding wetlands into the managed forest program.

Our only thought for consideration is this: There is some inherent value in a deferred income on the part of the state when a land owner agrees to play by the rules and grow "x" amount of board feet in exchange for preferential tax status. We aren't sure what the benefit would be to the state over the long haul if wetlands are considered as forest cropland. How would the criteria change for this program? Representative Brandemuehl also has another proposal out there to include certain parcels of woodlands that are zoned agricultural. We don't have a problem with people wanting to get into the Managed Forest program. We are concerned that so many exceptions could undermine the real intent of the program, which is to manage forests in a sustainable fashion so we have this renewable resource.

## **5. Mill Tax**

There are tax proposals that are out there to eliminate the personal property tax. Though we all want lower property taxes, one of the taxes in there is the Mill Tax. The Mill Tax is a tax imposed on the forest products industry, the funds from which are earmarked to help fund state forestry efforts, especially fire control and forest management. We would have strong concerns about eliminating that. One of the reasons Wisconsin forests are the envy of other states is because we have been able to focus our efforts on good forestry practices. If we are in a position of having to beg for money at the beginning of every biennium, our concern would be that the good job that we've done policing ourselves and funding these efforts would somehow be lost.

## **6. Forestry Education Efforts**

Our industry is strongly committed to educating youth about the importance of this industry to Wisconsin's economy and also how important it is to sometimes cut down a tree. The Lake States Lumber Association has an Education Committee that works closely with the TPA and other associations in outreach efforts to thousands of schools across the state. We'd love to talk to you more about this effort sometime.

I want to close by thanking you for the opportunity to talk to you today and to reiterate our Association's interest in working with this Committee this session. Any questions?

COMMENTS  
OF THE  
WISCONSIN PAPER COUNCIL

BEFORE THE  
ASSEMBLY COMMITTEE ON RURAL AFFAIRS

MADISON, WISCONSIN  
FEBRUARY 25, 1999

Good afternoon, Representative Ainsworth and members of the Committee on Rural Affairs.

My name is Earl Gustafson; I am the Energy/Projects Manager for the Wisconsin Paper Council, the trade association representing the pulp, paper and allied industry in the state. The association includes 27 regular member firms – manufacturers of pulp and paper products – and more than 100 firms that are paper converters or providers of goods and service to the industry. Based in Neenah, the Paper Council will conduct its 49<sup>th</sup> annual meeting later this year.

The paper industry has a long history...an enviable track record fostering forest productivity and sustainability. These are important issues because forest fiber – whether as pulpwood or recycled waste paper – is our “lifeblood”.

In fact, Wisconsin is the nation's leading paper manufacturer, producing 4.7 million tons of paper, plus more than 1 million tons of paperboard products annually. We're a national leader in recycling, using more than 2.5 million tons of recycled fiber to make new, useful products. However, pulpwood represents the majority of our raw material needs; we utilize about 2.8 million cords per year.

Students – and adults – sometimes ask us if being the leader in papermaking means Wisconsin is running out of trees. The answer, of course, is no. Wisconsin's forest resources grow larger in area and volume every year. We are able to harvest trees for papermaking and forest products...enjoy the resource as an ecological and recreational treasure... and watch it grow larger...thanks, in part, to forest stewardship programs initiated cooperatively... voluntarily...by Wisconsin's paper companies.

Wisconsin's papermakers have pledged publicly to manage their forest resources for long-term sustainability and to encourage others to be stewards of their woodlands. The pledge is our “Green Guarantee.” Each Wisconsin Paper Council member that owns or manages forest land, or that operates a pulp mill, pledges to:

- *"Manage forest land in a way that maintains Wisconsin's natural resources heritage..."*
- *"Replace trees we harvest today on industry-owned land with new trees for tomorrow..."*
- *"Encourage and assist other land owners to be productive stewards of their land, and..."*
- *"Provide healthy forests for future generations to use and enjoy."*

The Green Guarantee is the forestry component of the Paper Council's successful, cutting-edge Pollution Prevention Partnership (P3); and it is based on – and is a companion to – the American Forest & Paper Association's Sustainable Forestry Initiative (SFI).

Green Guarantee companies have voluntarily agreed to report annually on their forest management practices to the Department of Natural Resources and the public. I have copies of last year's report for you. We encourage you, if you haven't already, to review the document. Here are few highlights:

The paper industry owns or manages 890,460 acres of forest land in Wisconsin. Growing trees requires resource management and it takes decades. But harvesting activities occur only on a small portion of the landscape in any particular year: during 1996, harvesting affected only 27,200 acres – just 3.3 percent of the resource.

Reforestation is a priority our forest managers. Before a harvest, industry foresters have already decided how the next generation of trees will begin life – whether by encouraging the spontaneous regeneration of species that renew themselves, or by planting the seedlings of those trees that need direct reforestation. In fact, as part of the Green Guarantee paper companies are committed to the successful regeneration of every acre they harvest within five years – and will publicly report the status of their efforts.

In addition to prompt, successful reforestation programs, the paper industry's commitment to forest stewardship includes the use of Wisconsin's Best Management Practices, or BMPs. These are a collection of prescribed actions designed to protect water quality and related values throughout the cycle of reforestation, management, harvesting and reforestation.

The Paper Council is proud to have drafted the first edition of Wisconsin's best management practices with the DNR's Bureau of Forestry in 1990 – almost a decade ago. Five years later, paper industry foresters again joined with the DNR, plus loggers, saw mill representatives, environmental groups, county and federal

foresters, and university personnel to produce a the second generation of Wisconsin BMPs, a 76-page manual of responsible forestry practices.

Paper companies require BMPs to be used on their land and they encourage others – private landowners, loggers, consultants – to rely on BMPs. They also participate in field monitoring programs that assure BMPs are, in fact, being utilized effectively throughout the state.

Encouraging others to be responsible land managers is an important component of the Green Guarantee. A number of the participants are members of the 55-year-old American Tree Farm program or sponsor their own private landowner assistance programs.

But the industry's outreach is much broader and diverse. The Wisconsin Paper Council created the Wisconsin Forest Productivity Council in the 1980s. It offers guidance to private landowners targeting more productive woodland management, plus advice tailored to the individual's related forestry objectives – for example, game and non-game habitat, fishery resources, scenery and wildlife observation, to name a few.

Through a voluntary assessment, the paper industry also is the chief financial supporter of FISTA, the Forest Industry Safety & Training Alliance. This outstanding Wisconsin program offers introductory, advanced and elective classes and field training to loggers, woods workers and private landowners. Comprehensive and diverse, FISTA's curriculum ranges from the environmentally-sound BMPs, to safety training in tree felling, chainsaws, mechanized equipment, log hauling, plus CPR and first aid instruction.

A commitment to forest sustainability is a commitment to the future. Tomorrow's forest managers are today's students, so the Green Guarantee encourages an educational component. Some educational activities supported by paper companies include:

- Full and partial scholarships for more than 965 K-12 students to attend environmental and forestry workshops, centers and camps.
- Local support, including tree seedlings, for 4-H, scout, FFA, conservation club, Earth Day and Arbor Day activities.
- Grants to allow teachers to attend the Wisconsin Association of Environmental Educators' conference.

These are a few highlights of the paper industry's Green Guarantee, its commitment to sustainable forests, its use of best management practices, and its voluntary, cooperative initiatives that assure trees today... tomorrow... forever.

We are compiling data for the 1999 Green Guarantee report that will document our actions during 1997 and 1998 – and our commitment to sustainable forestry into the next century.

Thank you, Representative Ainsworth...members of the Rural Affairs Committee...we sincerely appreciate this opportunity to meet with you. Even more so, we look forward to working with you throughout this biennium as you help assure the stewardship of Wisconsin's resources.

SS



Forests for Today, Tomorrow, and Forever.

# FIRST ANNUAL PROGRESS REPORT

MAY, 1998



*A sustainable forestry initiative  
by Wisconsin's pulp and paper industry*

# Wisconsin Papermakers Assure Healthy Forests

Forests are one of Wisconsin's most important natural resources. With nearly half the state covered by trees, our forests serve as a source of beauty, recreation, and useful products.

The growth, health and prosperity of Wisconsin's forests are largely due to the men and women who manage them effectively.

One group of managers, the Wisconsin paper industry, has a strong record of stewardship on the forest land they own and manage. Wisconsin's paper industry is committed to manage its own lands for sustainability and productivity in the future. At the same time, it actively encourages others to be good forestry stewards on their lands.

For more than 125 years, Wisconsin papermakers have used wood as a source of fiber to create paper products that are used around the world. They realize the importance of this resource and carefully manage and sustain it.

Sustainable forestry is not only a priority for Wisconsin's paper industry - it's a way of life.

Forests are one of nature's renewable resources. Even so, a forest faces threats throughout its lifecycle, including fire, disease and improper management.

Some people are concerned about the future of our world's forests. These concerns include maintaining an environmentally sound diversity of woodland plants and animals, planting and regenerating new forests, and assuring recreational opportunities.

Wisconsin papermakers realize the seriousness of these concerns, and are doing their part, and then some, to help assure healthy forests for future generations to use and enjoy.

## **"To manage forest land in a way that maintains Wisconsin's natural resources heritage..."**

One of the ways that Wisconsin paper companies are addressing society's concerns is through a commitment — a commitment to practice and promote sustainable forestry.

Sustainable forestry means meeting the needs of the present without compromising the ability of future generations to meet their own needs. It combines reforestation, managing, growing, nurturing and harvesting trees for useful purposes. Sustainable forestry is also conservation of soil, air and water quality, wildlife and fish habitat, and aesthetics.

The commitment to sustainable forestry involves company land, as well as land owners and loggers from which they obtain raw material. This commitment is called the *Green Guarantee*.

Formally introduced on March 11, 1997, the Green Guarantee is a voluntary, cooperative forestry initiative by nine pulp and paper companies in cooperation with the Wisconsin Department of Natural Resources, Bureau of Forestry.

The Green Guarantee is based on the American Forest & Paper Association's *Sustainable Forestry Initiative*, a system of principles, guidelines and performance measures that combine the continuous growing and harvesting of trees with the protection of wildlife, plants, soil, and water quality.

The nine companies participating in the Green Guarantee own or manage 890,460 acres of forest land in Wisconsin. More than 90 percent of this land is commercial timberland.

During 1996, the baseline year for the Green Guarantee, harvesting operations occurred on only 3.3 percent of that acreage, or 27,200 acres.

### The Green Guarantee

*"To manage forest land in a way that maintains Wisconsin's natural resources heritage..."*

*"To replace the trees we harvest today on industry-owned land with new trees for tomorrow..."*

*"To encourage and assist other land owners to be productive stewards of their land, and..."*

*"To provide healthy forests for future generations to use and to enjoy."*

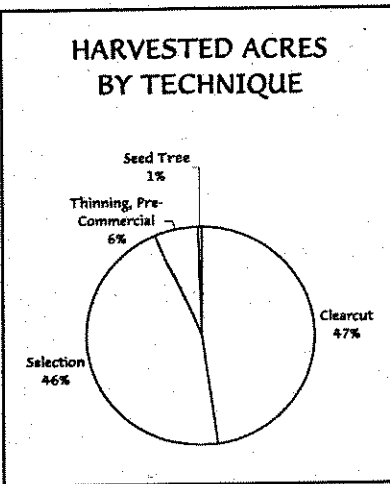
### Participating Companies

Appleton Papers Inc.  
Consolidated Papers, Inc.  
Fraser Papers Inc.  
Georgia-Pacific Corporation  
Inter Lake Papers, Inc.  
International Paper Company/Thilmany Division  
Tenneco Packaging  
Wausau-Mosinee Paper Corporation  
Weyerhaeuser Company



Of that total, more than half was accomplished using selection, thinning or seed tree/shelter wood methods. Another 13,043 acres were clearcut, a harvesting technique involving the removal of all or most of the trees on a property, followed by prompt reforestation.

Clearcuts are used when the tree species (e.g. aspen, jack-pine) require direct exposure to the sun — and will not grow or survive if shaded by larger, adjacent trees. Green Guarantee participants practice aesthetic management around clearcuts when practicable.



The national average for a clearcut is 61 acres, while the average in Wisconsin is only 41 acres.

Demonstrating responsible stewardship of forest land extends to maintaining an attractive forest environment.

All harvests are designed to conform to natural geographic boundaries. Foresters work to enhance the visual quality of forest lands while protecting or

conserving water quality, air quality, soil productivity and wildlife habitat. For example, clearcut techniques are not used on lands for harvesting within 100 feet of lakes or rivers, or within 35 feet of streams.

Many loggers who harvest pulpwood on paper company forest land are trained in forestry Best Management Practices (BMPs). The percentage of BMP-trained loggers supplying the Green Guarantee participants is expected to increase dramatically in coming years.

A major focus of the Green Guarantee is to help assure that wood suppliers and public and private forest managers are trained in forestry Best Management Practices.

The Forest Industry Safety & Training Alliance, supported by the paper and forest products industry, coordinates forestry BMP training throughout the state. More than one-third of all wood supplied to the Green Guarantee participants was produced by loggers with BMP expertise in the first year BMP training was available to them.

Additionally, nearly nine out of every 10 field employees with Green Guarantee companies are fully trained in BMPs; they include foresters, forestry technicians, and machinery and equipment operators.

In addition to assuring that their forestry personnel are trained in BMPs, the companies provided their employees with a diverse range of educational forestry programs during 1996. The training opportunities assure that employees are

proficient in contemporary silvicultural practices, forest ecology, wildlife management and industry economics; plus practical vocational and technical skills and the knowledge necessary for career advancement.

Training offered by the firms includes forest safety, biodiversity, forest ecology and silvicultural practices, and landowner and property rights.

## Forestry BMPs

Forestry Best Management Practices, or BMPs, are techniques that assure protection of the environment during forestry operations — from harvesting to reforestation — with a focus on preserving water quality in lakes, rivers and streams.

The paper industry initiated Wisconsin's first voluntary guide to forestry BMPs in the late 1980s. More recently, Green Guarantee foresters helped develop a new guide in cooperation with representatives of the Wisconsin Department of Natural Resources, the U.S. Forest Service, U.S. Department of Agriculture, Sierra Club, Izaak Walton League, University of Wisconsin-Extension and the Wisconsin Association of Lakes.

Developed to address virtually every aspect of sound forestry, Wisconsin's BMP manual identifies proper procedures for planning short-term forestry operations and long-term management. It also describes permits, maintaining forest roads, timber harvesting, maintenance of forestry equipment and material handling procedures, and wetland protection.

To assure that forestry BMPs are utilized and effective, each year a representative sample of logging operations are randomly selected for intensive field monitoring. The on-site inspections document that BMPs are in widespread use and are effective in protecting water quality and the forest environment.

**“To replace the trees we harvest today on industry-owned land with new trees for tomorrow...”**

A priority in forest management is establishing new stands of trees. Green Guarantee participants reforest all harvested areas promptly to ensure long-term productivity and conservation of forest resources.

Prompt reforestation also ensures that new forests are in place to prevent soil erosion and to protect water quality in streams and lakes. Furthermore, many wildlife species, such as quail, rabbit, deer, elk, moose, ruffed grouse and wild turkey, thrive in newly established forests where food, shelter and nesting is plentiful.

Green Guarantee companies report that 14,518 acres harvested in 1996 (53.4 percent) will require active management to assure successful regeneration; the other half will become new forests through planned natural regeneration. Both methods are monitored by company foresters to assure reforestation/regeneration success. Green Guarantee companies planted 7,372 acres in 1996.

To help young forests grow during their early years, the companies prepare harvested lands for reforestation, assuring the "release" of the new trees from competing vegetation and weeds. Some 5,323 acres received cultural treatments in 1996 to help new forests grow. Foresters also routinely practice integrated pest management as part of their site preparation and on-going pest control and roadside management programs.

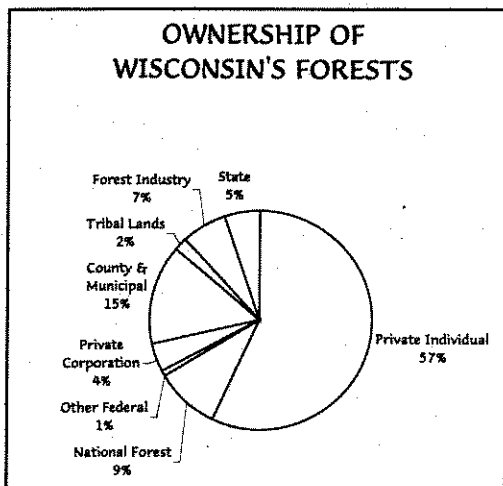
## "To encourage and assist other land owners to be productive stewards of their land..."

In addition to providing advice and guidance to loggers, paper companies also reach out to private, non-industrial forest owners interested in managing their lands more productively and for diverse management objectives.

Paper companies own less than 8 percent of Wisconsin's forested land, while about 57 percent is owned or managed by private, non-industrial forest owners. To meet the demand of wood fiber necessary for creating paper, the industry must purchase wood grown on a variety of other public and private lands.

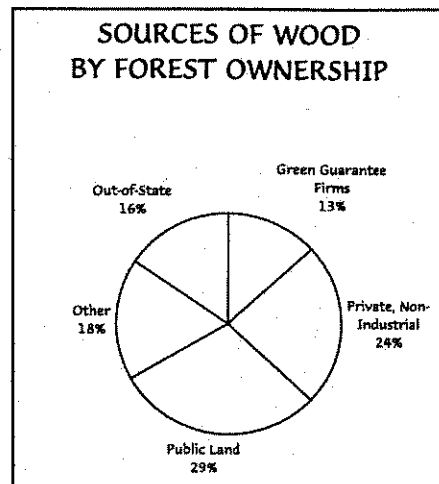
Tree Farm and landowner assistance programs sponsored by the Green Guarantee members encompassed 1,790 private, non-industrial land owners in 1996. All of

the participants received forestry-related information during the year, including advice ranging from how and why to manage forests, how to develop a forest management plan, how to incorporate aesthetic, economic and other values into forest planning and management. The firms provide educational materials to these forest managers and meet with them, either one-on-one or in group tours and field days. Information includes BMPs for forestry, environmental stewardship, safety, management planning, forest health, reforestation/regeneration, wildlife and fisheries management, and forestry economics.



Additionally, the companies assist in field certification inspections that are part of the Wisconsin Tree Farm program's approach to assuring forests in the future.

Green Guarantee participants support a range of forestry, educational and community activities. In 1996 alone, Green Guarantee companies contributed more than \$317,000 to organizations throughout Wisconsin. Examples of support include training programs for loggers, foresters and private, non-industrial land owners in BMPs, forest safety and related programs; environmental and forest interpretive facilities; and the Wisconsin Forest Productivity Council, which offers educational outreach programs to private, non-industrial land owners interested in forest health, management and productivity.



## Stewardship Highlights - 1996

Green Guarantee companies spent well over a quarter of a million dollars in 1996 to educate, train, and improve quality of life. Here are just a few examples of stewardship activities that have a positive impact on Wisconsin's environment, wildlife, and people.

### Forestry Stewardship

- Cooperative management agreements for timber wolf habitat.
- Designated "no cut" areas for watershed protection, winter deer yards and old growth.
- Karner Blue butterfly habitat conservation plan development.
- Osprey and bluebird nesting programs.
- Walleye fingerling rearing with sportsman's club.
- Red pine and jackpine seed orchard management.

### Educational Stewardship

- Workshop scholarships for more than 965 elementary, middle and high school students to attend environmental centers.
- Company-sponsored local educational presentations, workshops and tours, in-classroom presentations, mill tours and field trips, and special observances, such as Earth Day and Arbor Day.
- Field tours and classroom presentations for higher education schools of forestry and forestry departments.
- Donations to and participation in Future Farmers of America/4H student forestry competitions.
- Grants that enable teachers to attend Wisconsin Association of Environmental Educators Conferences.
- Involvement on the Wisconsin Environmental Education Board.

(Continued on page 4)

(Continued from page 3)

### Quality of Life

- Tree and seedling donations to schools and clubs.
- Donations of fire fighting and tree planting equipment to municipalities, government entities and forestry organizations.
- Monetary and in-kind support for charitable organizations, local performing arts, community events and institutions, civic clubs/organizations, and youth groups.
- Donations of company land for community uses.
- Underwriting public service radio announcements during the forest fire season.
- Supporting conservation/recreational organizations including Ducks Unlimited and Whitetails Unlimited.

### Forest Stewardship Memberships & Participation

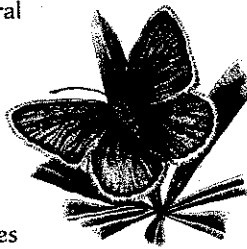
- County forest planning and advisory committees.
- Society of American Foresters.
- Wisconsin Tree Farm Committee.
- Wisconsin Woodland Owners Association.

## “To provide healthy forests for future generations to use and to enjoy.”

Investments in forestry-focused research by the Green Guarantee participants totaled \$236,800 in 1996. Projects performed internally by the firms received \$137,000 (57.8 percent), while \$99,800 (42.2 percent) was directed to external projects.

This research included projects targeting aspen fertilization to improve growth rates, an investigation into habitat needs of woodcock on land managed for aspen, and a cooperative oak study with the U.S. Forest Service.

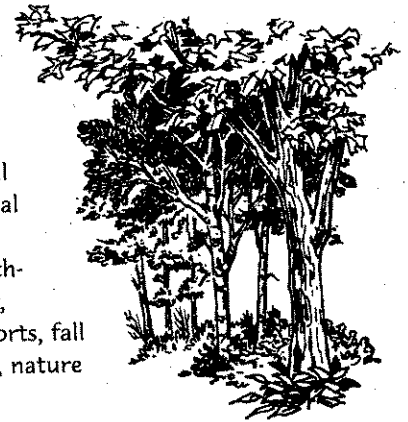
A major focus in 1996 for several of the companies was research into management techniques to protect the habitat of the Karner Blue butterfly, a federally endangered species.



Four Green Guarantee companies — Consolidated Papers, Georgia-Pacific, International Paper/Thilmany Division and Wausau-Mosinee Paper — own, manage or depend on forests located in the butterfly's potential or historic habitat range.

The firms are participating with the DNR and other interests in the development of a statewide habitat conservation plan to help assure the future of the butterfly while allowing normal forestry and land management activities to continue.

In addition to a home for wildlife, the industry's forests are a key part of Wisconsin's diverse tourism and recreational resources. Most industrial forests welcome visitors for hiking and bird watching, hunting and fishing, photography, winter sports, fall color enjoyment, biking, nature appreciation and more.



Almost all of this land — 885,036 acres — was open for recreation. It contains 683 miles of regularly maintained roads and interpretive trails — roughly the mileage in a trip from Milwaukee to Minneapolis and return. Maintained snowmobile trails also traverse corporate forests.

During 1996, Green Guarantee participants also granted easements to towns for local boat landings, modified cutting practices for aesthetic reasons near scenic hiking trails, maintained informational and directional signs along woodland roads, and provided recreational guides and maps to company lands.

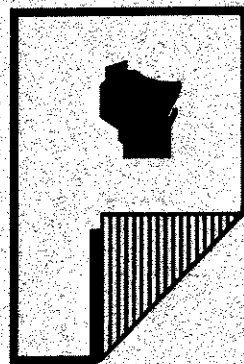
## Commitment to Healthy Forests

The Green Guarantee companies and the Wisconsin Department of Natural Resources jointly identified three initial goals to help measure the overall success of the Green Guarantee program:

1. Assure that at least 90 percent of participating firms' forestry field personnel are trained in forestry Best Management Practices (BMPs).
2. Reforest or regenerate 100 percent of all company owned and managed forest land within five years of final harvest.
3. Encourage and facilitate the training of wood suppliers in forestry BMPs and other appropriate forestry practices.

Company performance relative to these goals will be documented annually in future progress reports.

The Wisconsin paper industry is a leader in proper forestry management and sustainability. The Green Guarantee will continue this commitment well into the future, ensuring that Wisconsin's forests will be healthy and productive today, tomorrow, and forever.



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